Commercial ProValPlus®

1/04/05 – 1/5/05

Presented by

Alan Shipp of Manatron
&
Brett Hill ISTC Consulting Appraiser

ProVal*Plus*®
Commercial Cost Data Entry Black Box Method

_____

INDEX

Part I

ProVal*Plus*
Marshall & Swift Cost Rank (Quality)

The cost rank, or quality of construction, that determines the level of the calculated costs. You must enter a cost rank for each occupancy entered in the occupancy grid if the value needs to be adjusted for quality. In addition, you can change the rank for each component entered in the component grid, but if left black it will price as Average or Rank 2.

The four basic cost ranks are:

§	**Low (Rank 1)** - These tend to be very plain buildings that conform to minimum building code requirements. Interiors are plain with little attention given to detail or finish. Typically, there are minimum mechanical and low-cost finishes throughout.

§	**Average (Rank 2)** - These buildings are the most commonly found and meet building code requirements. There is some ornamentation on the exterior with interiors having some trim items. Lighting and plumbing are adequate to service the occupants of the building.

§	**Good (Rank 3**) - These are generally well-designed buildings. Exterior walls usually have a mix of ornamental finishes. Interior walls are nicely finished and there are good quality floor covers. Lighting and plumbing include better quality fixtures.

§	**Excellent (Rank 4**) - Usually, these buildings are specially designed, have high-cost materials and exhibit excellent workmanship. Both exteriors and interiors have custom and ornamental features. Lighting and plumbing include high-cost fixtures.

In addition to the four basic ranks, you can enter ranks down to 0.5 and up to 5. Also, you can enter a cost rank between two rank numbers (e.g., 2.5 for a quality between average and good).


One potential problem with using Rank is that the results of the adjustment are not displayed anywhere outside of this screen. If you enter a Rank of 3.5, it will increase the value, but there is nothing that shows how much of an increase was applied.

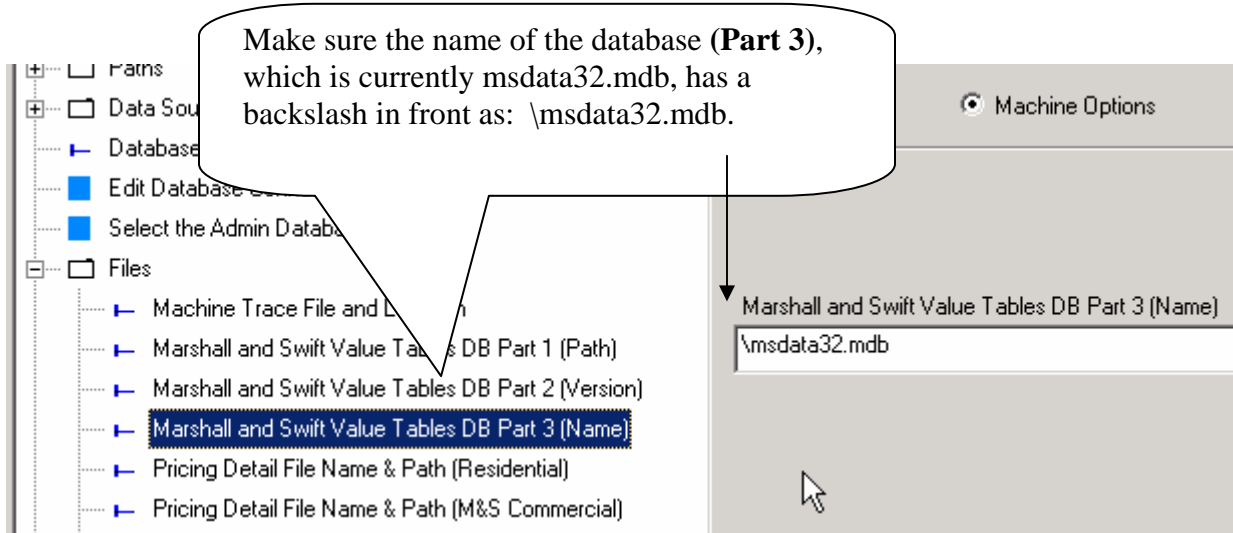# PART 1.   PREFFERENCE AND NEIGHBORHOOD SETTINGS

PREFERENCES

MACHINE OPTIONS

We can set up our preferences to allow us to price different neighborhoods with different Marshall & Swift cost databases. Keep in mind this is only for the commercial occupancies and NOT the yard Items and special features. Their pricing comes from whatever the Residential model is entered for the respective residential neighborhoods.

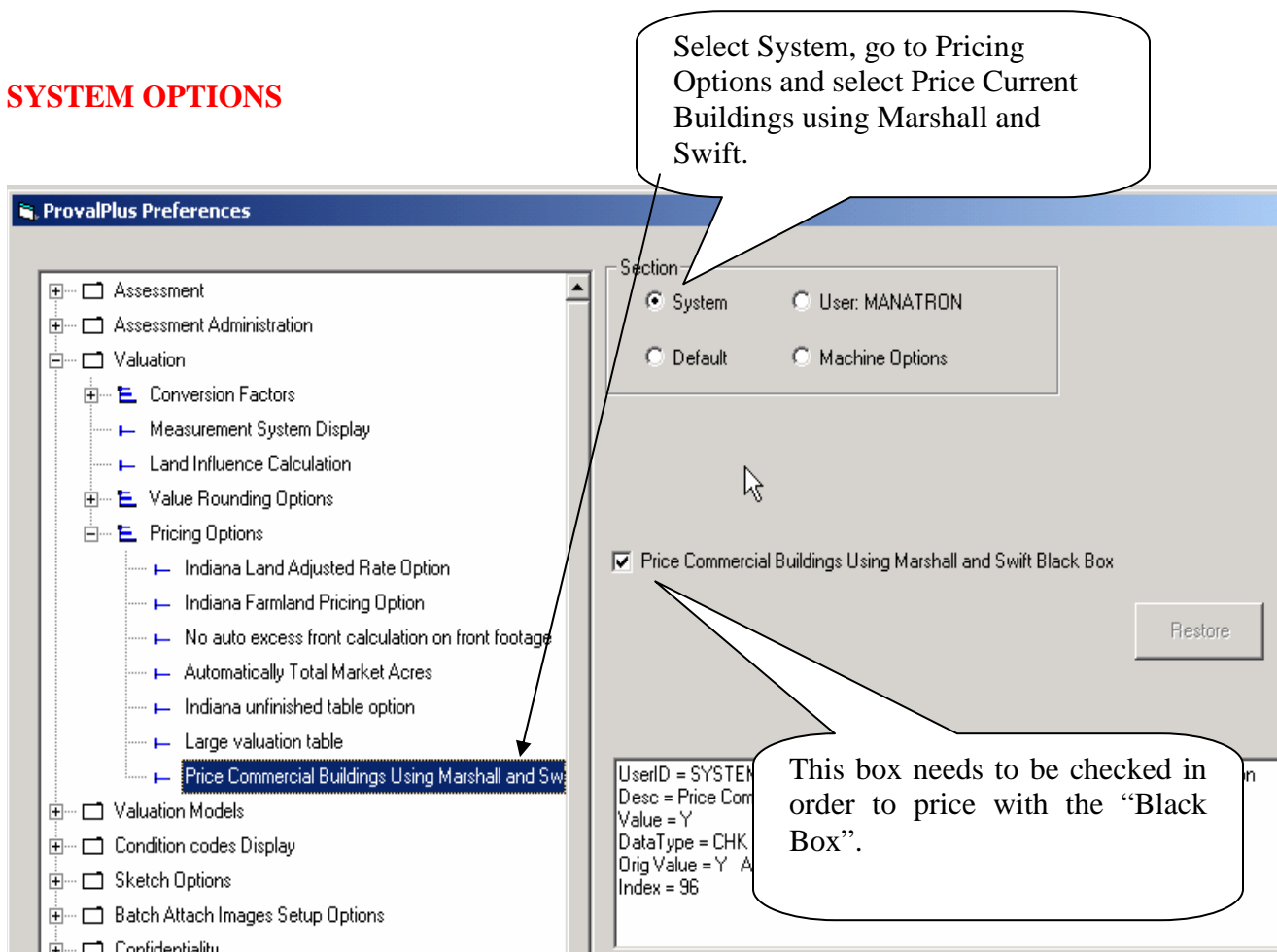Make sure that **the Part 1, (Path)** has a backslash at the end, as: J:\Manatron\CESTEngine\
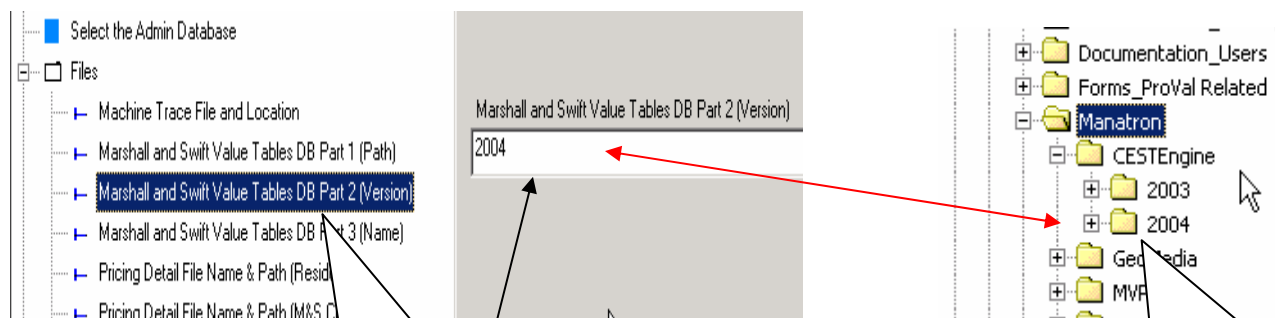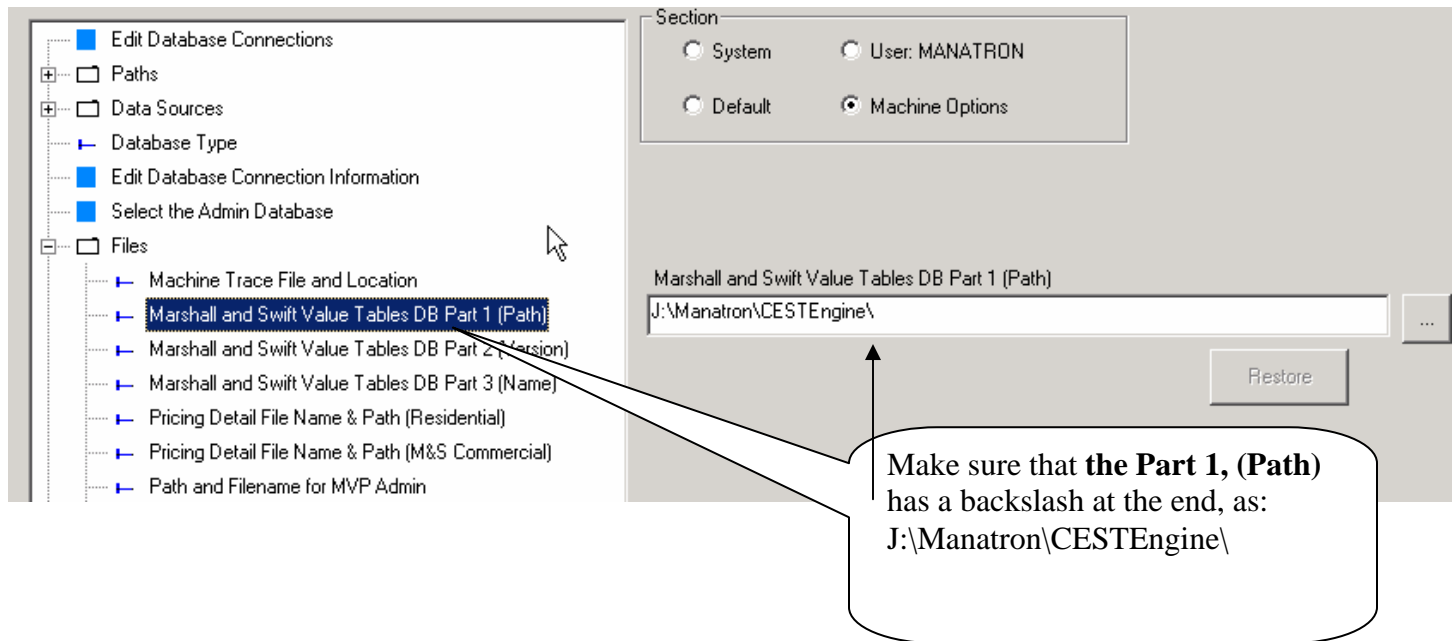
In this case, we want the MS Black Box costs for the 2004 assessment year to be our preferred cost database. Enter 2004 as the version. **(Part 2)**

This is what the directory on the server looks like. The M&S cost databases (msdata32.mdb) are stored inside the 2003 and 2004 folders. Note that the 2004 folder is the same as the "version" we are using.

Make sure the name of the database **(Part 3)**, which is currently msdata32.mdb, has a backslash in front as: \msdata32.mdb.

⊙ Machine Options

─┼─ ☐ Paths

─┼─ ☐ Data Sou...

──├─ Database...

──■ Edit Database...

──■ Select the Admin Datab...

─☐ Files

────├─ Machine Trace File and ...

────├─ Marshall and Swift Value Tables DB Part 1 (Path)

────├─ Marshall and Swift Value Tables DB Part 2 (Version)

────├─ Marshall and Swift Value Tables DB Part 3 (Name)

────├─ Pricing Detail File Name & Path (Residential)

────├─ Pricing Detail File Name & Path (M&S Commercial)

Marshall and Swift Value Tables DB Part 3 (Name)

\msdata32.mdb

SYSTEM OPTIONS

Select System, go to Pricing Options and select Price Current Buildings using Marshall and Swift.

ProvalPlus Preferences

─┼─ ☐ Assessment

─┼─ ☐ Assessment Administration

─┼─ ☐ Valuation

────┼─ ☰ Conversion Factors

──────├─ Measurement System Display

──────├─ Land Influence Calculation

────┼─ ☰ Value Rounding Options

────├─ ☰ Pricing Options

──────├─ Indiana Land Adjusted Rate Option

──────├─ Indiana Farmland Pricing Option

──────├─ No auto excess front calculation on front footage

──────├─ Automatically Total Market Acres

──────├─ Indiana unfinished table option

──────├─ Large valuation table

──────├─ Price Commercial Buildings Using Marshall and Sw...

─┼─ ☐ Valuation Models

─┼─ ☐ Condition codes Display

─┼─ ☐ Sketch Options

─┼─ ☐ Batch Attach Images Setup Options

─┼─ ☐ Confidentiality

Section

⊙ System   ○ User: MANATRON

○ Default   ○ Machine Options

☑ Price Commercial Buildings Using Marshall and Swift Black Box

Restore

UserID = SYSTEM
Desc = Price Com
Value = Y
DataType = CHK
Orig Value = Y   A
Index = 96

This box needs to be checked in order to price with the "Black Box".

3

In the Commercial Neighborhood, enter the name of the version of the Marshall & Swift database you want to use. Our example is to use 2004.

If this box is left empty, it will use what is set in your preferences.

If it is decided that you want to continue pricing this commercial neighborhood using another version of the Marshall & Swift database, then enter the name of the version you wish to use.

For this example we want to continue pricing this Neighborhood with the 2003 M&S cost tables

PART II.   DATA ENTRY

ProVal Plus

File   View   Property Records   Administration   Utilities   Value

Prefs

RPN0530000

Parcels

PIN   Owne

☐—— RPN0!

Add a Property Record	
Update a Property Record	Ctrl+U
Void a Property Record	
Recover a Voided Property Record	
Next	F4
Previous	Shift+F4
Copy	
Move	
Inspection Records	
Condos & Economic Units	▶
Property Record Card Setup	
Print Property Record Card	
Print Notice	
Need to Price Land	
Need to Price	
Refresh Data	

Parcel 0 of 1

Applications

☐ Mainte
☐ Report
☐ Analysi
☐ Tables
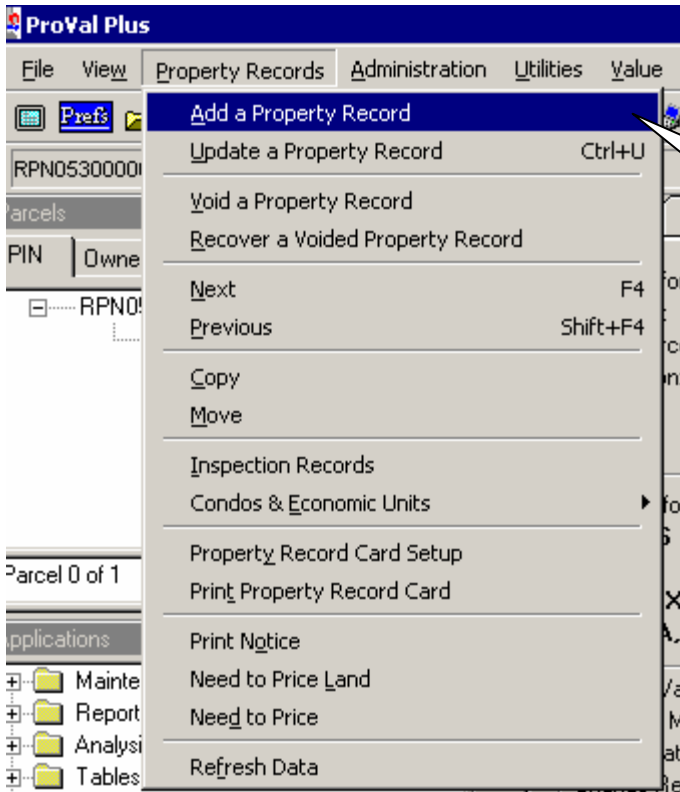
> **This example will take you through entering a new commercial property record. Select Add A Property Record.**

Property Record

Description: Chevy Car Lot

Pricing Type
- ○ Residential/Agricultural
- ● Commercial/Industrial

Property Class: 421
421 - Commercial lot/ac in city

Copy from...   OK   Cancel

> - **Enter a description defining the improvement.**
> - **Make sure the property class is correct.**
> - **Make sure the pricing type is Commercial/Industrial.**
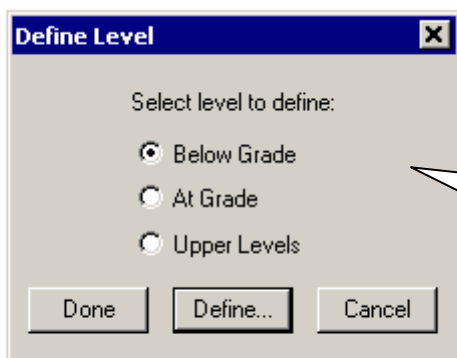>
> **NOTE: If there is an existing property record on this parcel, you can copy the sketch/data from that property record by using the "Copy from…".**

NOTE: **This example will be drawn in four segments**

Add Segment 1.

| Parcel | Land | Values | **Sketch** | Improv | Buildings | Admin | Images |

Right click, and then select "define

- Define Segment   Ctrl+D
- Delete Segment
- Copy Segment
- Move Sketch   Ctrl+V
- Rotate Sketch
- Flip Sketch
- Move Segment
- Add Outbuilding   Ctrl+Y
- Indicate Party Walls

Define Segment Selection

- ○ Type in a Label
- ⦿ Define Label

[OK] [Cancel]
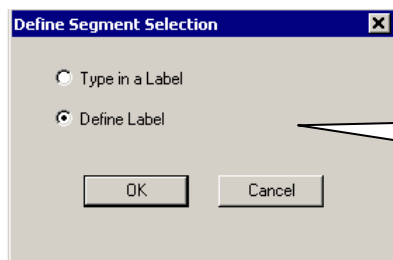
Leave this screen "as is", with "Define Label" clicked on. Select OK

Define Level

Select level to define:

- ⦿ Below Grade
- ○ At Grade
- ○ Upper Levels

[Done] [Define...] [Cancel]

At this point we are starting to define the improvement. This is done in up to 3 stages which are:
1) **Below grade**
2) **At Grade**
3) **Upper Levels (if any)**

After clicking the correct button, select "Define".

6

Use Slab when floor is concrete.
Skip "Below Grade" if the floor is wood.

Always Ignore "Commercial Use" until further notice.

Select "At Grade" then Define.

Select Br (Brick) for this example

In this example, we are choosing 1s (1 story).

If the *entire* building is 2 stories, choose 2s

If taller than 2 stories, choose Ns, then fill in the number of floors.

At this time do not define the exterior cover on this screen.

Define Level

Define Level ☒

Select level to define:

○ Below Grade
○ At Grade
◉ Upper Levels

[Done] [Define...] [Cancel]

Click "Done" at this point because there are not any "Upper Levels".

Parcel has unposted value conclusion   **Inactive**   Locked

Land | Values | **Sketch** | ps

Building ID, Primary Use & Depreciation Table ☒

Building: 007   Section: ___

Physical depreciation table: Calculate depreciation from uses ▼

Primary use type: Apartments (GCM)

Apartments (GCM)
Apartments (GCR)
Auto Service (GCM)
Auto Showroom (GCM)
Bank (GCM)
Bowling Alley (GCM)
Car Wash Auto (GCM)
Church (GCM)
Commercial Garage (GCI)
Convenience Market (GCM)
Country Club (GCM)
Department Store (GCM)
Dining/Lounge (GCM)
Dining/Lounge (GCR)
Discount (GCM)
Fast Food Restaurant (S-U)

[OK]   [Cancel]

Sketch:

```
        35
     ┌────────┐
     │        │
     │  1 s Br│
  50 │  ─────  │
     │  Slab  │
     │        │
     │ (1750) │
     └────────┘
```

Draw the sketch, and then the above screen will pop up when it is complete. Select the Primary Use for this building. (This can be edited later in the Building section information screen but you must define something at this point in the process).

For this example select Auto Showroom and then OK.

Improvement Information

Improvement ID: C   Type: AUTOSHOW

Quality class/Grade: Avg

Condition: AV

% complete: 100

Year Built: 2000

Effective Year: 2000

Year Remodeled: 0

☐ Determine Effective Year Built

Depreciation

Physical: 0

Obsolescence

Functional: 0

Economic: 0

Location Adj Factor: 100

Composite: 0

Stories or Height:

Width or Diameter:

Length:

Capacity:

Size: 0   Square feet

Count: 1

Attached:

Framing:

Exterior cover:

☐ Feature:

Sound Value

Field: (None)

Value:

OK   Cancel

The following are required fields:
1. **Quality Class/Grade**
2. **Condition**
3. **Year Built** *if known*
4. **Effective Year**

Note: Depreciation is calculated from effective year.

Select OK when you have finished entering information.

Add Segment 2:

From the sketch screen, right click & select "Define Segment".

1 s Fr

B

35

(945)

27

Define Segment   Ctrl+D
Delete Segment
Copy Segment
Move Sketch   Ctrl+V
Rotate Sketch
Flip Sketch
Move Segment
Add Outbuilding   Ctrl+Y
Indicate Party Walls
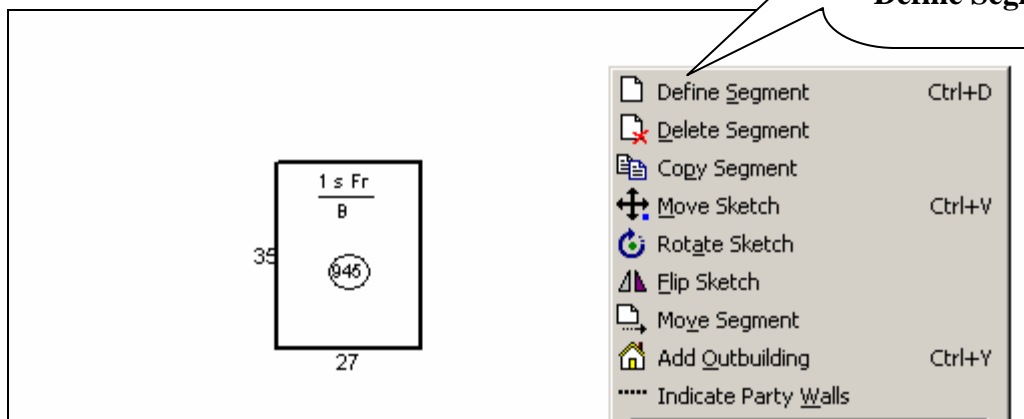
Define Segment Selection

○ Type in a Label

● Define Label

OK   Cancel

Select "Define Label" then OK.

Define Level

Select level to define:
- ● Below Grade
- ○ At Grade
- ○ Upper Levels

[Done] [Define...] [Cancel]

Select the Below Grade then Define.

Prefix
- ○ 1/4
- ○ 1/2
- ○ 3/4
- ○ 1/2 s
- ○ 3/4 s
- ○ 1 s
- ○ 1-1/2 s
- ○ 1-3/4 s
- ○ 2 s
- ○ 2-1/2 s
- ○ N s
- ○ 1 c
- ○ 1+ c
- ○ 2 c
- ○ 2+ c
- ○ N c
- N = [____]

Construction
- ○ Fr - Wood/metal stud load-bearing frame w/ various non-masonry exterior covers
- ○ Br - Wood/metal stud load-bearing frame w/ mostly brick or stone exterior cover
- ○ Pole - Wood pole frame with metal, wood, or various types of exterior cover
- ○ Mas - Solid masonry block, poured concrete, stone or brick load bearing walls
- ○ Steel - Engineered steel component frame normally with metal exterior
- ○ RC - Reinforced concrete frame with various exteriors - fireproof
- ○ FPS - Heavy steel frame with various exteriors - fireproof

Default Exterior Cover
Masonry ▼

Label

Slab

Component
- ○ Attic
- ○ Bsmt   ☐ Walkout
- ○ Lower Level
- ○ Crawl
- ○ Overhang
- ● Slab
- ○ Basement Garage
- ○ Carport
- ○ Car Shed
- ○ Garage
- ○ Integral Garage
- ○ Cathedral
- ● Commercial Use
- ○ 2 Wall Addition
- ○ 3 Wall Addition (End)
- ○ 3 Wall Addition (Side)
- ○ Mobile Home
- ○ MH Room Extension
- ○ Loft
- ○ Facing

Modifier
- ○ Finished   ○ +
- ○ Unfinished   ○ -

Exterior Feature
- ○ Concrete Patio
- ○ Flagstone Patio
- ○ Brick Patio
- ○ Wood Patio
- ○ Roof Extension
- ○ Conventional Canopy
- ○ Portico
- ○ Masonry Stoop
- ○ Open Frame Porch
- ○ Enclosed Frame Porch
- ○ Open Masonry Porch
- ○ Enclosed Masonry Porch
- ○ Bay
- ○ Wood Deck
- ○ Balcony
- ○ Solarium

- ☐ Terraced
- ☐ Rail
- ☐ Screen
- ☐ Wood Floor

[OK] [Cancel]

In this example we are selecting slab.

Select OK when ready to continue.

Define Level

Select level to define:
- ○ Below Grade
- ● At Grade
- ○ Upper Levels

[Done] [Define...] [Cancel]

Select "At Grade" then Define.

Select options needed (in this case, we are adding another 1 story brick section of the building)

Note: The Label is being built as we go.

Since there are no upper floors at this time, click "Done".
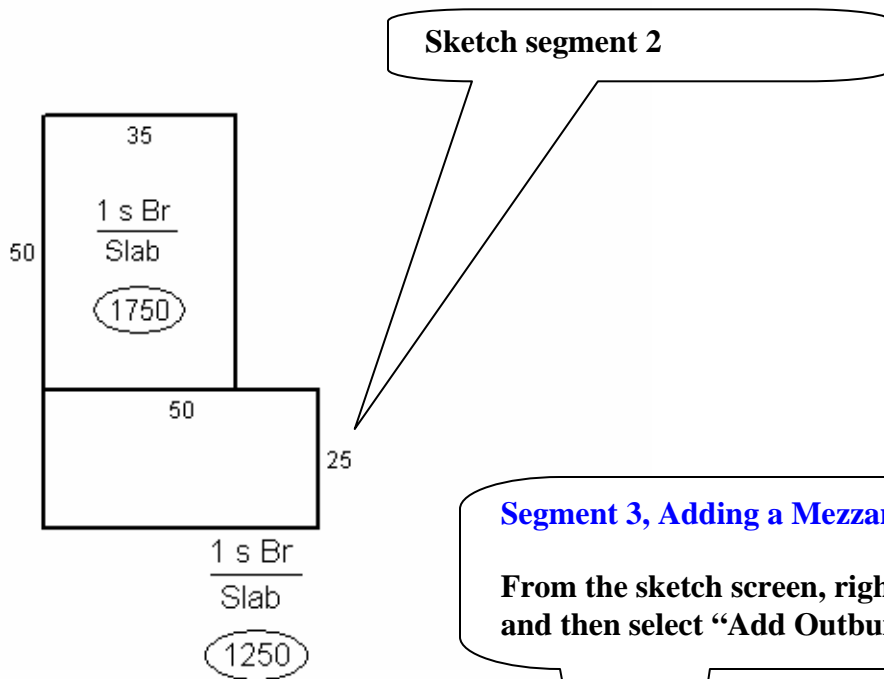
Sketch segment 2

35

1 s Br

Slab

1750

50

50

25

1 s Br

Slab

1250

Segment 3, Adding a Mezzanine:

From the sketch screen, right click, and then select "Add Outbuilding".

Define Seg   Ctrl+D

Delete Seg

Copy Segm

Move Sketch   Ctrl+V

Rotate Sketc

Flip Sketch

Move Segment

Add Outbuilding   Ctrl+Y

Indicate Party Walls

Auto Close   Ctrl+C

Box Close   Ctrl+B

In this case, Mezzanine is a "Special Feature", so select that option, then locate *mezzanine open divided* **and highlight it.**

Before leaving this screen, be sure to click on "Sketch", *BUT,* **you do not have to sketch an outbuilding if you do not want to.**

Outbuildings

Mezzanine-Finished Divided

Mall Concourse - Covered
Mall Concourse - Enclosed First Floor
Mall Concourse - Enclosed Upper Floor
Mall Concourse - Open
Marquee - Average
Marquee - Good
Marquee - High Cost
Marquee - Low Cost
Mezzanine
Mezzanine-Finished Divided

○ Yard Item

● Special Features

○ Outbuildings

☑ Sketch

Sketch in the Mezzanine.

35

1 s Br

Slab

1750

50

50

Mezz

875

25

25

35

1 s Br

Slab

1250

ement Information

Improvement ID: 01   Type: MEZZ

Quality class/Grade: Avg

Condition: AV

% complete: 100

Year Built: 2003

Effective Year: 2003

Year Remodeled: 0

☐ Determine Effective Year Built

Depreciation

Physical: 0

Obsolescence

Functio 0

Eco 0

Loca ctor: 100

Co 0

Stories or Height: 1   Size: 675   Square feet

Width or Diameter 25.00   Count: 1

Length: 27.00

Capacity: 0

Attached: Not attached

Framing:

Exterior cover:

☐ Feature:

ne)

OK   Cancel

Fill in all pertinent information, then select OK.

SPECIAL NOTE: **There needs to be a 1 in the "Stories or Height" field when entering Mezzanines.**

Define Segment Selection

○ Type in a Label

◉ Define Label

OK   Cancel

Segment 4: Upper Floor

In this case, we are creating an upper floor for this improvement.
Therefore; right click & select "Define Segment".

Define Level

Select level to define:

- ○ Below Grade
- ○ At Grade
- ● Upper Levels

[Done] [Define...] [Cancel]

This time select Upper Levels and **DEFINE**.

Prefix
- ○ 1/4
- ○ 1/2
- ○ 3/4
- ○ 1/2 s
- ○ 3/4 s
- ● 1 s
- ○ 1-1/2 s
- ○ 1-3/4 s
- ○ 2 s
- ○ 2-1/2 s
- ○ N s
- ○ 1 c
- ○ 1+ c
- ○ 2 c
- ○ 2+ c
- ○ N c

N = [ ]

Construction
- ○ Fr - Wood/metal stud load-bearing frame w/ various non-masonry exterior covers
- ● Br - Wood/metal stud load-bearing frame w/ mostly brick or stone exterior cover
- ○ Pole - Wood pole frame with metal, wood, or various types of exterior cover
- ○ Mas - Solid masonary block, poured concrete, stone or brick load bearing walls
- ○ Steel - Engineered steel component frame normally with metal exterior
- ○ RC - Reinforced concrete frame with various exteriors - fireproof
- ○ FPS - Heavy steel frame with various exteriors - fireproof

Default Exterior Cover
[Brick ▼]

Label
1 s Br (Upper)

Component
- ○ Attic
- ○ Bsmt ☐ Walkout
- ○ Lower Level
- ○ Crawl
- ○ Overhang
- ○ Slab
- ○ Basement Garage
- ○ Carport
- ○ Car Shed
- ○ Garage
- ○ Integral Garage
- ○ Cathedral
- ● Commercial Use
- ○ 2 Wall Addition
- ○ 3 Wall Addition (End)
- ○ 3 Wall Addition (Side)
- ○ Mobile Home
- ○ MH Room Extension
- ○ Loft
- ○ Facing

Modifier
- ○ Finished   ○ +
- ○ Unfinished   ○ -

Select options as needed. In this example choose 1 story brick.

14

TIP: Consider sketching upper levels to the side of the basement and first floor. This will keep your sketch from getting too cluttered.

| Parcel | Land | Values | **Sketch** | Improv | Buildings | Admin | Images | Comps |

Starting Floor

Please enter the starting floor number: 2

OK

35

1 s Br
Slab
(1750)

50

50
Mezz
(875)
35

25   25

1 s Br
Slab
(1250)

35

1 s Br (Upper)
(1750)   50

Enter the sketch. Once you hit enter after the square footage, a screen will pop up asking for the starting floor number (which in our case is 2).

Improvements
C   AUTOSHOW
01   Mezz   25 x 35

Entering the Building Section Information:

Go to the Buildings Tab

| 1 | | Parcel has unposted value conclusion | **Inactive** | Locked |

| Parcel | Land | Values | Sketch | Improv | **Buildings** | Admin | Images | Comps |

Buildiing: **007**   Section: Primary Use: **Auto Showroom (GCM)**

Number of Floors: 2

Floors: Roofing

Floor	Base Area	Perimeter	PAR
1	3000	320	11
2	1750	170	10
M1	875	0	0

Roofing
Built-up   ▼   100   %
<None>   ▼   0   %
<None>   ▼   0   %
<None>   ▼   0   %

Floor Info   Copy Uses

Wall Insulation: 0   %
Roof Insulation: 0   %
Number of Units: 0
Average Unit Size: 0

Use Types for Floor #

Use	Pricing Key	Area	Wall Hgt	Ceil Hgt	Wall Type	LF	Frame	Finish

If anything on this screen needs to be changed or added, do so at this time. Then, taking one "floor" at a time, *double click* that floor & follow through on the following screens.

Commercial Use Information

Use Code: Auto Showroom (GCM)   Pricing Key: GCM05   Floor 1

Area: 2250   % of Floor: 75   Basement Type: \<None\>   ☐ Kit Building

GC Adjustments
☑ Lighting   No Adjustment

Sprinkler: \<None\>

HVAC1: \<None\>   2250

HVAC2: \<None\>   2250

Hotels/Motels/Apartments/Strip Retail
Number of Units:

Average Unit Size:

Configuration Code: N/A

Number of Kitchens:

Strip Retail Avg Depth:

☐ Individually Owned Units

Size of Individually Owned Unit:

☐ Unit Cost Adjustments

Other GC and Base Adjustments
Wall Fin Area (-):   SF

Floor Fin Area (-):   SF

Ceiling Fin Area (-):   SF

Partitioning (-):   SF

Roof Deck Parking: SF

Balcony Area: SF

quetball Courts:

Courts:

Ele___ ___oor: SF

☐ R___ ___aming adjustment

Dock Floor
Height:

Perimeter:

PAR:

Wall Type: N/A

GCK Adjustments
Wall Insulation: %

Roof Insulation: %

☐ Exterior Sheathing
☐ Steel Girts & Purlins
☐ Aluminum Siding
☐ Interior Liner
☐ Heavy Guage Siding
☐ Plastic Panel Siding
☐ Sandwiched Paneling
☐ Steel Post & Beam
☐ Rigid Steel Frame
☐ Low Profile Adjustment
☐ Base Interior Finish
☐ Deduct: No Concrete

[OK]   [Cancel]   [Construction...]

You can have multiple uses per floor. In this example, we are splitting floor 1 into 75%Auto Showroom and 25%Storage. We will do the Auto Showroom first.

Click "*Construction*" when ready to continue.

16

This screen is very important. The required fields are:
- **Wall Height**
- **Ceiling Height**
- **Class/Framing.**

Pay special attention to the Class/Framing you choose because your choice will have an effect on depreciation and in some cases cause a pricing error.

You can apply user overrides for economic or functional depreciation at this point

Now define the Storage Portion of this floor. Double Click on Floor 1.

Commercial Use Information

Use Code: Utility/Storage (GCM)

Area: 750   % of Floor: 25.00   Basement Type

GC Adjustments

☑ Lighting No Adjustment

Sprinkler: <None>
HVAC1: <None> 750
HVAC2: <None>

Hotels/Motels/Apartments/Strip Retail

Number of Units:
Average Unit Size:
Configuration Code: N/A
Number of Kitchens:
Strip Retail Avg Depth:
☐ Individually Owned Units
Size of Individually Owned Unit:

☐ Unit Cost Adjustments

Balcony Area: SF
Racquetball Courts:
Squash Courts:
Elevated Floor: SF
☐ Roofing & framing adjustment

☐ Heavy Guage Siding
☐ Plastic Panel Siding
☐ Sandwiched Paneling
☐ Steel Post & Beam
☐ Rigid Steel Frame
☐ Low Profile Adjustment
☐ Base Interior Finish
☐ Deduct: No Concrete

Dock Floor Adjustment

Height:
Perimeter:
PAR:
Wall Type: N/A

OK   Cancel   Construction...

Select the Utility/Storage use code from the drop down list.

Notice that the area and % of floor are pre-filled with the projected amounts.

Select Construction when ready to continue.

Use Construction Information

Floor 1   Use Description

	Floor	Use	M & S Perim/Shape
Area:	3000	750	
Perimeter/Shape:	320		
Perimeter/Area Ratio:	11		

Wall Height: 20
Ceiling Height: 20

Wall Types

	Linear Feet	% of Floor Perimeter
Brick, Solid	320	100.00 %
		%
		%
		%

Class/Framing

	Area	% of Use Area
☐ Wood Joist		%
☑ Fire Resistant	750	100.00 %
☐ Reinforced Concrete		%
☐ Fireproof Steel		%
☐ Pole		%
☐ Steel		%

Depreciation

Economic: %
Functional: %
Physical: %
☐ User Override?

M & S Occ. Rank
M & S Wall Rank

OK   Cancel

You will have to enter all of this information again as it may be different.

!TIP You can use ranking to "tweak" the value

18

| Parcel | Land | Values | Sketch | Improv | **Buildings** | Admin | Images | Comps |

Buildiing: **007**   Section: Primary Use: **Auto Showroom (GCM)**

Number of Floors: 2

Floors:

Floor	Base Area	Perimeter	PAR
1	3000	320	11
2	1750	170	10
M1	875	0	0

Roofing

Built-up	▼	100	%
<None>	▼	0	%
<None>	▼	0	%
<None>	▼	0	%

Wall Insulation: 0   %
Roof Insulation: 0   %
Number of Units: 0
Average Unit Size: 0

[Floor Info]   [Copy Uses]

Use Types for Floor #

Use	Pricing Key	Area	Wall Hgt	Ceil Hgt	Wall Type	LF	Frame	SF	Finish
AUTOSHOW	GCM05	2250	20	20	1	320	2	2250	
UTLSTOR	GCM46	750	20	20	1	320	2	750	

The floor layout will look something like the above image when you get done. Notice that the different uses per floor are broken out in the bottom pane.

At this point, you will need to go back & do each floor just was we did the 1st Floor.

Special Note: **100% of each floor's area must have been assigned a use code before you can price this property record.**

When you are finished with all the floors, click the "Price Cost" icon to price this parcel &\or property record.

Go to the Values tab, select sub-tab "Buildup" & you can review the cost valuation (example to the left).

NOTE: This valuation is based on the concept that you are using the Marshall & Swift Black Box system for valuation. If you are not, then this screen will be different.

		Year	Eff			Base							
ID	Type	Built	Year	Cond	Grade	Rate	Rate	Amount	Depr	Depr	Depr		Value
C	AUTOSHOW	2000	2000	AV	Avg	0	0	0	0%	0%	0%	–	348690
01	MEZZ	2000	2000	AV	Avg	0	0	0	0%	0%	0%	–	0

Marshall & Swift Value Results

```
Included in Section 1 Floor: 2    Use: LFTWRHSE   MS OCC: 338     Loft
Included in Section 2 Floor: 1    Use: AUTOSHOW   MS OCC: 303     Automobile Showro
Included in Section 2 Floor: 1    Use: UTLSTOR    MS OCC: 454     Shell, Industrial

Section      Item Description            Units         Cost          Total       Percent
-------      -----------------------     -----------   ----------    -------------- -------

                        M & S Cost Database Date: 07/2001

1            Base Cost                   1750          36.39         63683.00
1            Exterior Walls              1750          13.95         24412.00
1            Heating & Cooling           1750           9.97         17448.00
1            Basic Structure Cost        1750          60.31         105543.00
```

Last Message

Special Note: As with Residential, if you are including this in the revaluation process for the current assessment year, be sure the following is done:
- Review Year Memo is added (if changing review year)
- Allocations are edited (be sure to save first)
- Inspection Records are updated

PART III.   TROUBLESHOOTING TIPS

Problem:
My improvement is not pricing.

Troubleshooting Ideas:
- Exit and log back onto Proval Plus. Changes to tables, neighborhoods etc. require the tables to "reload" before those changes will take affect.
- Check the neighborhood. Make sure you have created a commercial neighborhood.   Make sure the Parcel is in the correct neighborhood.
- Go back into the Floor(s) and make sure the required fields all have valid information in them. See top of page 5, Page 9., and review Entering the Building Section Information starting on page 11.

- Go back and make sure 100% of each floor is assigned a use and the Construction information has been correctly entered.
- Go to the file Pricems.txt in the c:\program files\Manatron\ProvalPlus folder. Pricems.txt is a text file that will show you any pricing errors that occurred during pricing.
- Make sure the Marshall & Swift Data Base (msdata32.mdb) in the CESTENGINE folder in your c:\manatron\cestengine is *not* READ ONLY.
- Black Box users only should check your preferences and make sure the Valuation Method Use Marshall & Swift Black Box is checked in the System Preferences.
- Proval Commercial Model users should make sure the correct model number is entered in the system preferences and in the Commercial Neighborhood. They should also make sure the Use Marshall & Swift Black Box is NOT checked in the Valuation Methods in system preferences.
- Check the Wall Type. If there is not cost data in Marshall & Swift for a certain wall type then there will be a pricing error generated.

Problem:
I get a value for the main improvement but the yard items and special features are not pricing.

Troubleshooting Ideas:
- Make sure the correct *Residential Neighborhood* is set up for this parcel. Yard Items and Special Features costs are found in Residential Pricing.

Problem
I get a price but it seems way too high or way too low.

Troubleshooting Ideas:
- ***Check the Effective Age, Quality Class/Grade, and Condition***
- *Check the Class/Framing. The two you will probably normally use are Wood Joist and Fire Resistant. Brush up on your Marshall & Swift terminology to help you in classing your wall types correctly.*

dmcgee/tmagnelli   12/07/2004
J:\Manatron\ProValPlus Install\Documentation\Commercial\PVP Documentation - 08 Commercial Cost data Entry100.doc

22

ProVal*Plus*
Commercial Income Approach Entry

**A basic step by step guide to entering
income information and producing a value
using the ProVal Income Engine.**

PAGE

SECTION 1
INCOME MODEL BUILDING

IMPORTANT!

Set up your income models first! The Income section will not work without setting up all 18 property types with your choices of analytical methods.

1. ADD MODEL CONTROL STARTING WITH 30, FOLLOWED BY THE CURRENT ASSESSMENT YEAR.

ONCE YOU HAVE SET UP THE FIRST YEAR, YOU CAN COPY THE PREVIOUS YEAR MODEL TO THE CURRENT YEAR AND MAKE THE APPROPRIATE CHANGES TO THE CURRENT YEAR.

Applications

- Reconciliation Mode
- Land Valuation Element
- ProValuation Engine Tab
- Model Control
- Entity
- Condo
- Depth/Small Acre
- Income Model Setup
- Income Model Edit
- Certification Rules
- Utility

2. Set up models.

3. After models are set up they can be edited from here.

4. START BY ENTERING DEFAULT VALUES IN NEIGHBORHOOD "0", THEN ADD NEIGHBORHOODS AS YOU ANALYZE THEM.
If the Neighborhood of the parcel you are working on is not set up here, the " 0" (default) neighborhood values will be used.

5. Each category must be selected and populated or your model value will be returned "null"

If you decide that your original property type configuration needed to be changed, you can revert back to step #1 anytime and individually change the way you analyze your data by property type without having to set up all property types again.

Income Model

Model Selection

Model: 302004

Neighborhood 0   Edit List

Property Type
Apartment   **ENTER ALL USES**

Rent Class ALL (Not Used)   Edit

Income Capitalization Factors
Period: Per Year
Expenses % EGI
Units: Units by type of unit

- Potential Gross Income   Vacancy   Expenses   Capitalization Rates
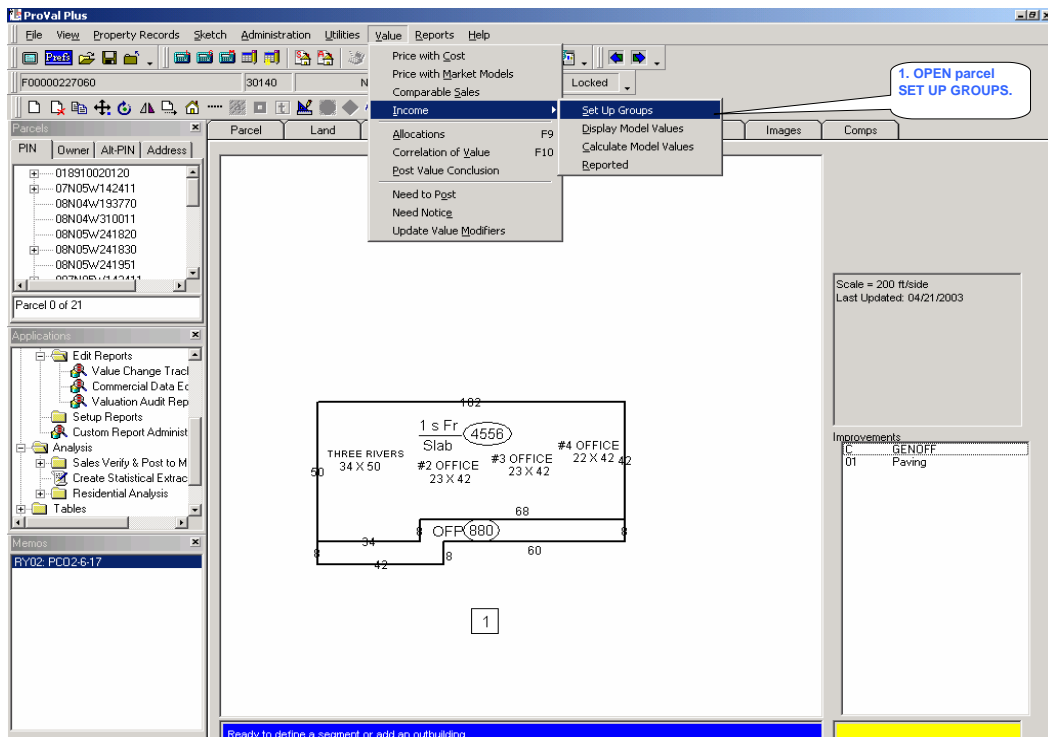- Gross Income Multiplier   Market Rate Per Unit

Prev   Next

Override labels   Set Defaults

Year Group Range		Units by type of unit					
From	To	EFFICIENCY	1Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	Other
ALL							
1	0	9999	3600.00	4200.00	5400.00	6000.00	7000.00	7500.00
2							
3							
4							
5							

OK   Cancel

5. SET TO YOUR CURRENT ASSESSMENT YEAR, *ALWAYS STARTING WITH 30.*
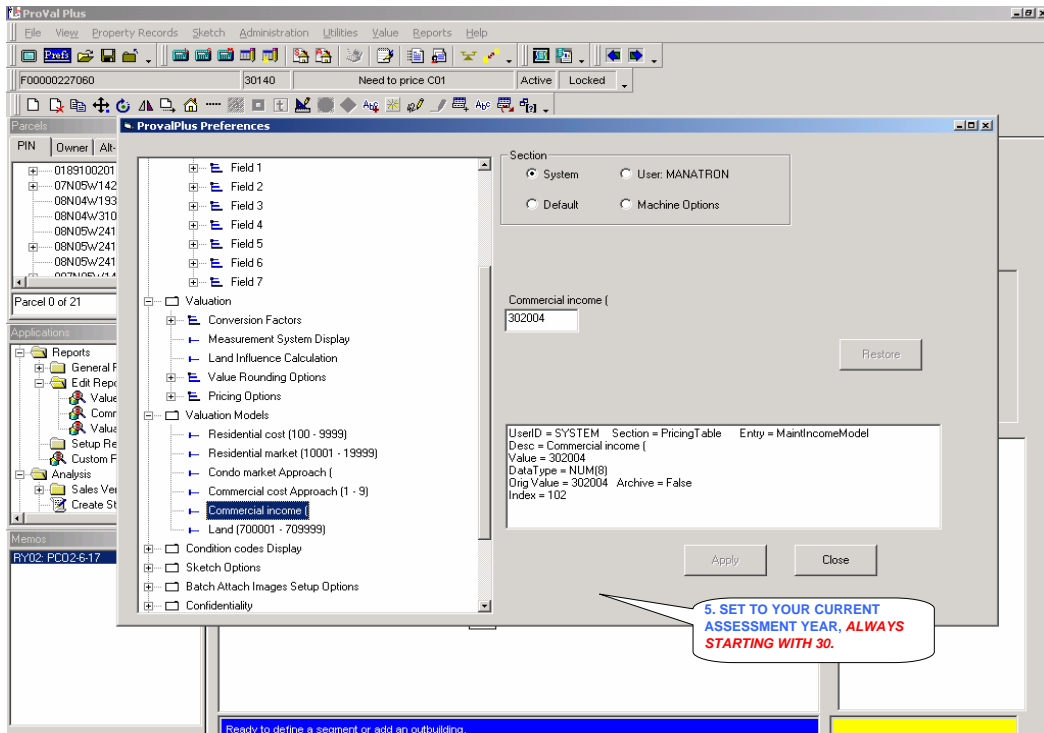
SECTION 2
INCOME MODEL VALUE

1. OPEN parcel SET UP GROUPS.

2. CHECK THIS BOX TO SET UP INCOME GROUPS FROM THE BUILDING USE CODE SELECTED WHEN YOU SKETCHED THE BUILDING.

IF YOU LEAVE THIS BOX UNCHECKED YOU CAN SPLIT YOUR BUILDING INTO MORE THAN ONE PROPERTY TYPE. For example, you could assign the main floor of a building a General Retail property type and the Second Floor to Apartments.

Define Property Income Groups

Property Description	Bldg	Floor	Use Code	Area	Income Group	Property Type
THREE RIVERS OFFICE	001	1	GENOFF	4556	1	OFFICE
Group 1 total			– – – – – – – –	4556		

3. Highlight the group.

Select Property Type

- Apartment
- Hotel/Motel
- Office
- Commercial
- Shopping center
- Ind/Mfg/Whse
- General retail
- Mini warehouse
- Development project
- Special purpose
- Health care
- Recreational facilities
- Recreation vehicle park
- MH Community
- Marina
- Dwelling
- Golf course

☐ Use the Reported Income and Expenses worksheet

Effective Year Built: 0

Total Area:

Project name

Delete Existing Reported Data

OK   Cancel

5. IF YOU ARE GOING TO USE THE REPORTED INCOME, THIS MUST BE CHECKED.

6. IF YOU SET UP YOUR MODELS WITH AGE RANGE REQUIREMENTS, THE EFFECTIVE YEAR BUILT MUST BE FILLED IN. PROVAL WILL NOT USE THE YEAR BUILT SELECTED WHEN THE BUILDING SKETCH WAS ENTERED.

4. Selecting this button returns to the Property Type screen.

☑ Create groups from the use

Property Type   Units of Comparison   OK   Cancel

Define Property Income Groups

Units of Comparison

Property Descripti...
THREE RIVERS OFFIC...
Group 1

Income Group: 1   Project: Property Type: Office

Unit of measure: Gross square feet   # of Size/Type Ranges: 1

Gross Sq Ft 4556   Net Leasable Sq Ft 4556   100 %

8. Populate this field if you are going to use reported income.

Units by Type of Unit

Model Label Rent
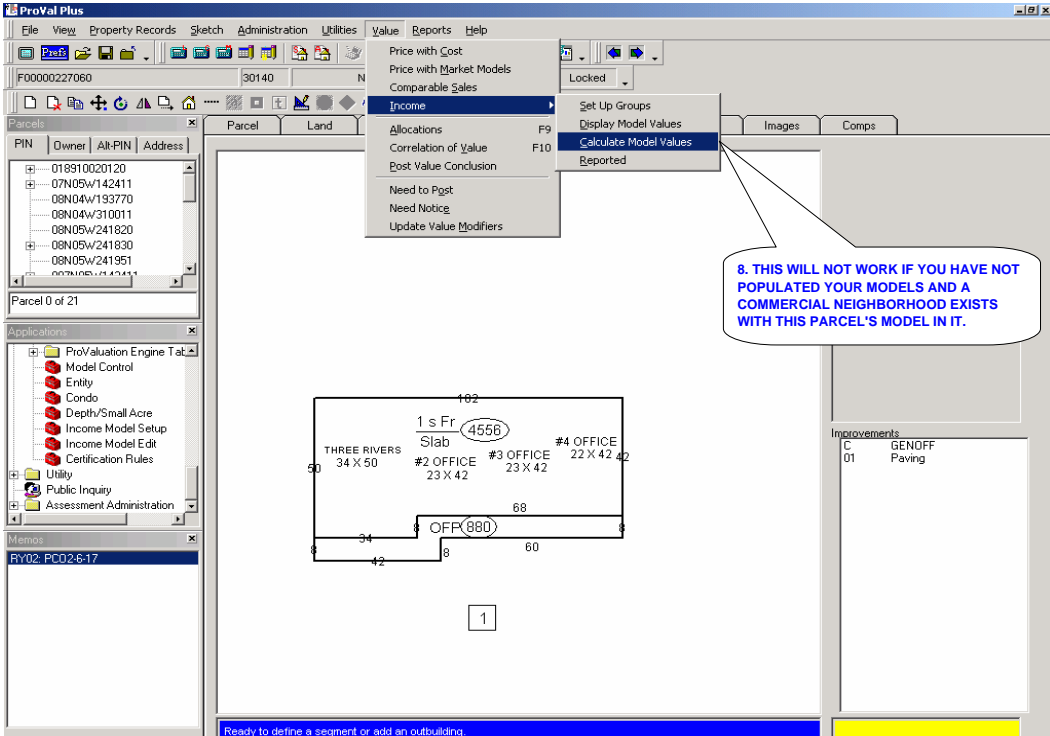
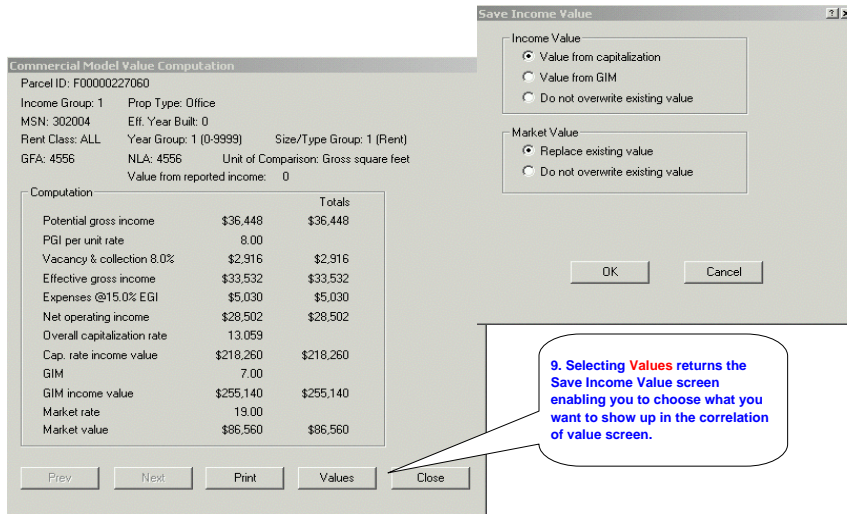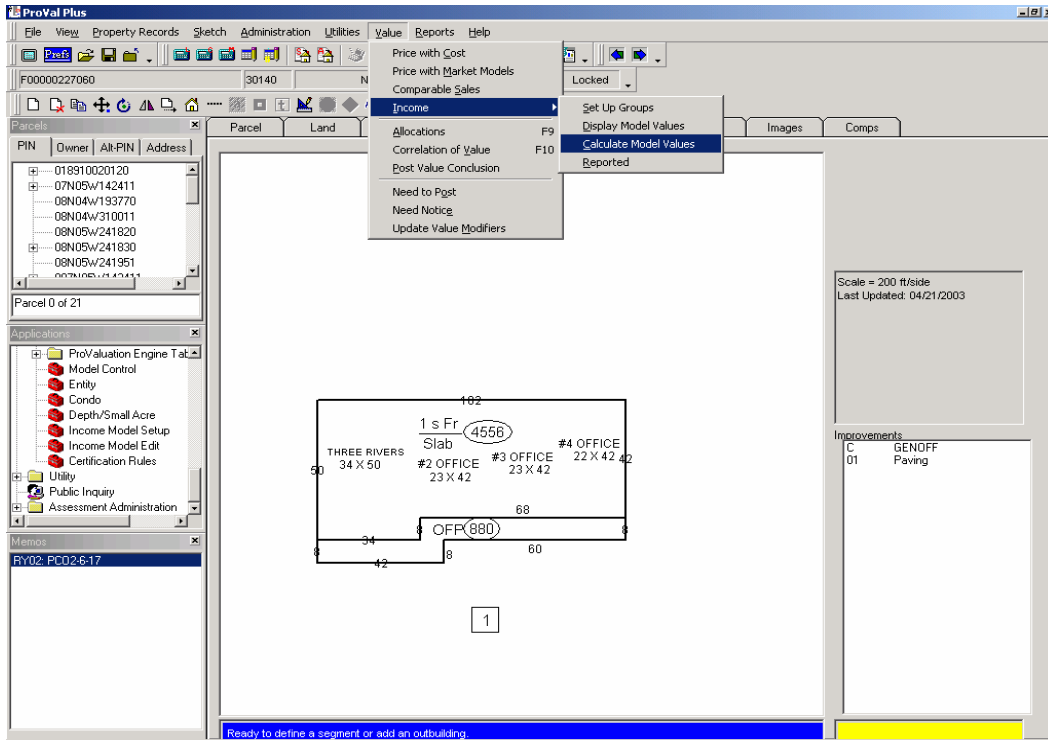| Holes, Courts, etc.	0	Beds	0	Rent Class
Seats	0	Spaces	0	ALL (Not Used)
Rooms	0	Other	0	

OK   Cancel

7. Selecting this button returns to the Units of Comparison. screen.

☑ Create groups from the use

Property Type   Units of Comparison   OK   Cancel

File View Property Records Sketch Administration Utilities **Value** Reports Help

Price with Cost
Price with Market Models
Comparable Sales
Income ▶
Allocations   F9
Correlation of Value   F10
Post Value Conclusion

Need to Post
Need Notice
Update Value Modifiers

Set Up Groups
Display Model Values
Calculate Model Values
Reported

F00000227060   30140

Locked

Parcel | Land | Images | Comps

Parcels

PIN | Owner | Alt-PIN | Address

- 018910020120
- 07N05W142411
- 08N04W193770
- 08N04W310011
- 08N05W241820
- 08N05W241830
- 08N05W241951
- 007N05W142411

Parcel 0 of 21

Applications

- ProValuation Engine Tab
  - Model Control
  - Entity
  - Condo
  - Depth/Small Acre
  - Income Model Setup
  - Income Model Edit
  - Certification Rules
- Utility
- Public Inquiry
- Assessment Administration

Memos

RY02: PC02-6-17

8. THIS WILL NOT WORK IF YOU HAVE NOT POPULATED YOUR MODELS AND A COMMERCIAL NEIGHBORHOOD EXISTS WITH THIS PARCEL'S MODEL IN IT.

102

1 s Fr 4556
Slab
THREE RIVERS   #2 OFFICE   #3 OFFICE   #4 OFFICE
34 X 50   23 X 42   23 X 42   22 X 42 42
50

68

34   OFP 880
42   8   60

1

Improvements
C   GENOFF
01   Paving

Ready to define a segment or add an outbuilding.

ProVal Plus

File View Property Records Sketch Administration Utilities Value Reports Help

F00000227060   30140

Value menu:
- Price with Cost
- Price with Market Models
- Comparable Sales
- Income ▶
  - Set Up Groups
  - Display Model Values
  - Calculate Model Values
  - Reported
- Allocations   F9
- Correlation of Value F10
- Post Value Conclusion
- Need to Post
- Need Notice
- Update Value Modifiers

Parcel | Land | | Images | Comps

Parcels
PIN | Owner | Alt-PIN | Address
- 018910020120
- 07N05W142411
- 08N04W193770
- 08N04W310011
- 08N05W241820
- 08N05W241830
- 08N05W241951
- 007N05W142411

Parcel 0 of 21

Applications
- ProValuation Engine Tab
  - Model Control
  - Entity
  - Condo
  - Depth/Small Acre
  - Income Model Setup
  - Income Model Edit
  - Certification Rules
- Utility
- Public Inquiry
- Assessment Administration

Memos
RY02: PCO2-6-17

Scale = 200 ft/side
Last Updated: 04/21/2003

Improvements
C   GENOFF
01   Paving

1 s Fr 4556
Slab
THREE RIVERS   #2 OFFICE   #3 OFFICE   #4 OFFICE
34 X 50   23 X 42   23 X 42   22 X 42
                                        68
                OFP 880
        34   60
        42

1

Ready to define a segment or add an outbuilding.

Commercial Model Value Computation

Parcel ID: F00000227060
Income Group: 1   Prop Type: Office
MSN: 302004   Eff. Year Built: 0
Rent Class: ALL   Year Group: 1 (0-9999)   Size/Type Group: 1 (Rent)
GFA: 4556   NLA: 4556   Unit of Comparison: Gross square feet
                    Value from reported income: 0

Computation

		Totals
Potential gross income	$36,448	$36,448
PGI per unit rate	8.00	
Vacancy & collection 8.0%	$2,916	$2,916
Effective gross income	$33,532	$33,532
Expenses @15.0% EGI	$5,030	$5,030
Net operating income	$28,502	$28,502
Overall capitalization rate	13.059	
Cap. rate income value	$218,260	$218,260
GIM	7.00	
GIM income value	$255,140	$255,140
Market rate	19.00	
Market value	$86,560	$86,560

Prev   Next   Print   Values   Close

Save Income Value

Income Value
- ⦿ Value from capitalization
- ○ Value from GIM
- ○ Do not overwrite existing value

Market Value
- ⦿ Replace existing value
- ○ Do not overwrite existing value

OK   Cancel

9. Selecting Values returns the Save Income Value screen enabling you to choose what you want to show up in the correlation of value screen.

SECTION 3
ENTERING REPORTED INCOME VALUE

Potential Income Breakdown - Office

F00000227060 | CLOW TRUST . ROY | 211 N WHITLEY DR | 30140 | A | 0

Group: 1   Record Number: 1 of 1

Area accounted for: 4556 of 4556

[Previous] [Next]

Tenant or use: Income from Rent

Business name: Three Rivers Ins.

Tenant address:

City, state, zip

Phone

Lease begins ___ ends ___

Lease term 0 years

Effective Date:

Type of lease

Factor notes, lease terms, lease renewal options

Potential Income

Square Foot Net Area: 4556

○ Percentage rent
  Base rent 0
  Overage rent 0

● Fixed rent
  Unit SF Price: 8.07

Reported Income is per year

Total annual receipts 36767

[OK] [Cancel]

2. Fill in the sq. ft. of Group: #1.

CALCULATES AUTOMATICALLY.

Reported Income/Expenses

8. Select Reported Income/ Expenses.

9. The first time you select Reported Income and Expenses each year, you can choose the format and this screen won't come up again until a new Reported Year is selected.

Reported Income and Expenses - Office Reporting year: 2003

File   Insert   Edit

	Reported	Reconstr	
Income from rent	$36767	$36767	
Potential Gross Income	$36767	$0	
Gross Reported Income	$33233		
Vac. & coll. 9.61% EGI			
Other income		$0	Other income
EFFECTIVE GROSS INCOME	$33233	$0	
Model Expenses		$0	
Total Expenses	$1662	$1662	
Net Income	$31571	$-1662	
POTENTIAL INCOME			
EFFECTIVE			
GROSS INCOME	$0	$0	
EXPENSES			
UTILITIES			
electric	$0	$0	Utilities
gas	$0	$0	Utilities
water & sewer	$0	$0	Utilities
HVAC gas	$0	$0	Utilities
HVAC oil	$0	$0	Utilities
elevator	$0	$0	Utilities
other	$0	$0	Utilities
Subtotal	$0	$0	
JANITORIAL SERVICES			
payroll/contract	$0	$0	Maint, repairs
cleaning supplies	$0	$0	Maint, repairs
Subtotal	$0	$0	
MAINT & REPAIR			
payroll	$0	$0	Maint, repairs
supplies	$0	$0	Maint, repairs
HVAC repairs	$0	$0	Maint, repairs
electric repairs	$0	$0	Maint, repairs
plumbing repairs	$0	$0	Maint, repairs
elevator repairs	$0	$0	Maint, repairs
exterior repairs	$0	$0	Maint, repairs
roof repairs	$0	$0	Maint, repairs
decorating	$0	$0	Maint, repairs
parking lot repairs	$0	$0	Maint, repairs
capital outlays	$0	$0	Capital outlays
Subtotal	$0	$0	
ADM. EXPENSES			
payroll taxes	$0	$0	Adm., gen.
employee benefits	$0	$0	Adm., gen.
advertising	$0	$0	Adm., gen.
management fees	$1662	$0	Adm., gen.

DISPLAY ONLY

NET INCOME \ CAP RATE = VALUE

Summary of Valuation Methods

F00000227060   CLOW TRUST. ROY   211 N WHITLEY DR   30140 A 421

Reported Year: 2003
Neighborhood: 30140
Effective Gross Income
$35000

Analysis Methods

	Market	Built Up	Band
● Direct Capitalization	$312,500	$312,500	$312,500
○ Discounted Cash Flow		$31,470	$31,470
○ Mortgage Equity An...	...470	$31,470	$31,470
Multiplier	10.00	$350,000	
○ Gross Rent Multiplier	120.00	$350,040	
○ Appraiser Override	0		

Rate Methods

○ Market	12.00
● Built Up	11.20
○ Band of Investment	10.50

Group 1 Value

Value $312,500
Method Direct Capitalization
Rate   Built Up

All Groups

Land	$24,000
Imp.	$288,500
Total	$312,500

OK   Cancel

HANDY NOTES
1. You can insert your own headings and lines using the INSERT drop down list at the top of this page.

HANDY NOTES
2. If you enter a number followed by a %, like 5%, it will return the whole number as in this example: management expense 5% = $1662.

Property Income Group - Office

F00000227060   CLOW TRUST. ROY   211 N WHITLEY DR   30140   A   421

Income Group

Group 1   Type: Office

[Prev]   [Next]

Project name
Address   211 N WHITLEY DR
Owner's name   CLOW TRUST, ROY
Address   3085 N W 3RD AVE   ETAL
Address   FRUITLAND, ID 83619
Mgmnt firm
Address
Address

For 12 months ending [   ] (mm/dd)

Person submitting data

Name
Title
Phone
Date [   ]   [Last Update]

Reported year 2003

Worksheets

Potential Income Breakdown

1   Income from Rent

[Add Income Breakdown]

[Remove Income Breakdown]

[Features]

[Reported Income/Expenses]

[Reconstructed Operating Statement]

[Valuation Methods]   [Income Valuation]

[OK]

14. CHOOSE "Valuation Methods".

Income Analysis

Income Analysis

[Direct Capitalization]

[Discounted Cash Flow]

[Mortgage Equity Analysis]

[Gross Income Multiplier]

[Gross Rent Multiplier]

Holding periods

Discounted Cash Flow   [12]

Mortgage Equity Analysis   [5]

Multipliers

Gross Income Multiplier   10.00

Gross Rent Multiplier   120.00

15. FOR THIS EXAMPLE WE WILL CHOOSE "Built up" METHOD. BUT YOU CAN SELECT THE METHOD THAT WORKS BEST FOR YOU.

Rate Methods

	Overall Rate	Terminal
[Market]	12.00%	10.50%
[Built Up]	11.20%	12.00%
[Band]	10.50%	12.00

[Valuation Methods]

[OK]

Built-up Rate Worksheet

Discount rate

Safe Rate:	5.00	%
Risk Rate:	2.00	%
Illiquidity Rate:	1.00	%
Management Rate:	0.00	%
Discount Rate:	8.00	%
Recapture Rate:	1.00	%
Effective Tax Rate:	2.20	%
Built-up Rate:	11.20	%

Terminal rate

Safe Rate:	5.00	%
Risk Rate:	3.00	%
Illiquidity Rate:	2.00	%
Management Rate:	2.00	%
Discount Rate:	12.00	%
Recapture Rate:	0.00	%
Effective Tax Rate:	0.00	%
Built-up Rate:	12.00	%

16. Populate the desired fields, but remember to go to another field that has already been changed before you select OK. If you simply make a change in a field then hit OK, your value will not save.

Remarks

OK   Cancel

17. SELECT OK.

Income Analysis

Income Analysis

- Direct Capitalization
- Discounted Cash Flow
- Mortgage Equity Analysis
- Gross Income Multiplier
- Gross Rent Multiplier

Holding periods

Discounted Cash Flow	12
Mortgage Equity Analysis	5

Multipliers

Gross Income Multiplier	10.00
Gross Rent Multiplier	120.00

Rate Methods

	Overall Rate	Terminal Rate
Market	12.00%	10.50%
Built Up	11.20%	12.00%
Band	10.50%	12.00

Valuation Methods

OK

18. Choose Valuation Methods.

This screen is mostly informational unless you are going to change to a different valuation method.

NOTE:
If you get a 0 value here, go back to the "Reported Income and Expenses" screen. From the "Edit" drop down list, Click on "Copy reported PGI to Reconstr".

ported Income and Expenses - Office R
Insert | Edit
Compute model potential income fo
Copy reported PGI to Reconstr

The only purpose of this screen is to choose methods. For this example, we chose **"Direct Capitalization"**. AND **"Built Up"**.

This button will stay grayed out until you change Rate Methods.

19. Choose Cancel if everything looks good.

Property Income Group - Office

F00000227060 | CLOW TRUST, ROY | 211 N WHITLEY DR | 30140 | A | 421

Income Analysis

Income Analysis
- Direct Capitalization
- Discounted Cash Flow
- Mortgage Equity Analysis
- Gross Income Multiplier
- Gross Rent Multiplier

Holding periods

Discounted Cash Flow 12

Mortgage Equity Analysis 5

Multipliers

Gross Income Multiplier 10.00

Gross Rent Multiplier 120.00

Rate Methods

	Overall Rate	Terminal Rate
Market	12.00%	10.50%
Built Up	11.20%	12.00%
Band	10.50%	12.00

Valuation Methods

OK

20. HIT OK to return to "Property Income Group screen".

Property Income Group - Office

F00000227060 | CLOW TRUST, ROY | 211 N WHITLEY DR | 30140 | A | 421

Income Group

Group 1   Type: Office

Prev   Next

Reported year 2003

Worksheets

Potential Income Breakdown

1   Income from Rent

Project name

Address   211 N WHITLEY DR

Owner's name CLOW TRUST, ROY

Address   3085 N W 3RD AVE   ETAL

Address   FRUITLAND, ID 83619

Mgmnt firm

Address

Address

For 12 months ending [   ] (mm/dd)

Person submitting data

Name

Title

Phone

Date [   ] Last Update

Add Income Breakdown

Remove Income Breakdown

Features

Reported Income/Expenses

Reconstructed Operating Statement

Valuation Methods   Income Valuation

OK

21. Choose OK.

Income

The income model value is 143160
The reported income value is 126320
Replace the income model value
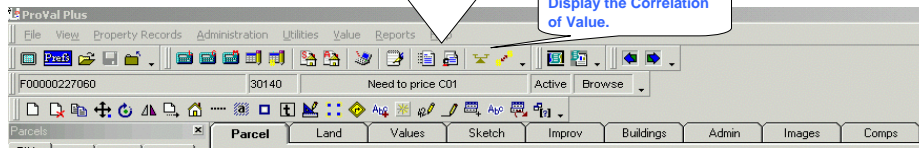with the reported income value?

Yes   No

22. IF YOU CHOOSE YES, HERE THE REPORTED INCOME WILL SHOW UP IN THE CORRELATION OF VALUE SCREEN. IF YOU CHOOSE NO, THE INCOME MODEL VALUE WILL STAY IN THE CORRELATION OF VALUE.

...meanwhile back at the main screen

Don't forget to Allocate.

Display the Correlation of Value.

CHOOSE THIS RADIO BUTTON IF YOU WANT THE "Reported Income" AS THE VALUE OF CHOICE.
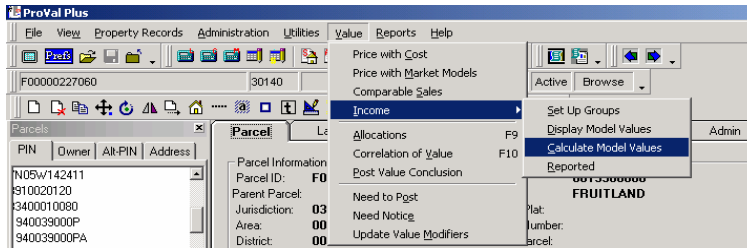
Correlation of Value

Valuation Method	Total	Land Mkt	Improvements
Cost models	100800	10100	90700
Market models	178750	10100	168650
Comparable sales	0	0	0
Reported Income	126320	10100	116220
Trended	0	0	0
Reconciliation	0	0	0
Override			

Land Use: 0

Assessed Values:
Land: 10100
Imp: 90700
Total: 100800

OK   Cancel

IF YOU NEED TO CHANGE BACK TO THE INCOME MODEL VALUE, USE THE FOLLOWING STEPS:

Choose Values.

THESE SETTINGS WILL CHANGE THE VALUE BACK TO THE MODEL VALUE "OK", OR "Cancel" WILL LEAVE THE REPORTED INCOME AS THE VALUE CHOICE.